

## **OPERATING UNIT – definition**

The term **operating unit** refers to an Indian health delivery system unit through which eligible Indians access personal health care services. The term means sub-units of IHS Areas as actually operated, financed, and managed -- not official and possibly artificial designations. Operating units are often synonymous with **service unit**, but in some places, the official service unit status may not be updated to reflect how the current delivery system operates. The LNF Workgroup also uses the term **I/T/U** to refer to an operating unit as either IHS, tribal, or urban. The key characteristics of an operating unit are:

- An operating unit is independently managed and funded separately from other IHS/Tribal delivery systems.
- An operating unit is located in and serves a defined geographic service area. The operating unit is the primary location in which Indian users in that area access health care services.
- An operating unit provides a broad range medical/clinical services in its locations with its employees, but may arrange, refer, or contract for specific services (e.g., hospital care, advanced care, dental, diabetes care, dialysis, etc.) -- a contract for a single type of health care service (e.g., eye care, etc.) is not considered a separate operating unit.
- An IHS/Tribal hospital together with its satellite ambulatory locations is considered a single operating unit.
- An ambulatory facility/location is either a:
  - Separate operating unit --- if it is separately funded and autonomously managed, has no operational ties to other Indian health facilities, and is the primary access location for the geographic service area, or
  - Part of a consolidated operating unit --- if it is one of several service locations within the geographic service area that have operational, funding, or managerial ties (e.g., consortia).
- An operating unit can be managed by IHS, or under contract/compact with a tribe or consortia of tribes, or by an Indian organization.
- A single operating unit can serve multiple small tribes/reservations -- a single tribe is not considered a separate operating unit unless the delivery system meets the definitions stated here.
- Several operating units may serve very large tribes spread over huge geographic areas (each user from the tribe is uniquely assigned to only one operating unit, however).